
SUSTAINABILITY POLICY

PURE CAPITAL S.A.

Pure Capital S.A.

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Version	Date	Comment(s)	Reviewed by (Department)	Validation Date of the BOD
1	17-06-21	Initial Procedure	Legal	
2	30-12-22	Annual Update	Legal	-
3	08-12-23	Annual Update	Risk	CA 14/12/2023 CD 14/12/2023
4	23-07-24	Clarification on sustainability risk	Risk	CA 26/09/2024 CD 03/10/2024
5	29-11-24	Annual Update	Risk	CA 09/12/2024 CD 09/12/2024
6	18-11-25	Annual Update	Risk	CA 18/12/2025 CD 18/12/2025

I. REGULATORY BACKGROUND

The present document has been drawn up following the entry into force of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (hereinafter referred to as “SFDR”).

SFDR comes as a part of the European Union’s sustainable finance program which comprises inter alia besides SFDR the so-called Taxonomy Regulation which provides a common language and a clear definition of what is ‘sustainable’.

All of this comes in the global context of the European Green Deal .

II. PURPOSE OF THE SUSTAINABILITY POLICY

This Sustainability Policy describes Pure Capital S.A.’s approach of integrating and monitoring sustainability risks arising during the investment decision making process relating to the investment funds where it acts as management company and/or investment manager and that are in scope of SFDR.

III. OBLIGATIONS UNDER SFDR

Under SFDR, Pure Capital S.A. has to disclose how it integrates sustainability risks in its investment decision processes.

A. SCOPE

The Sustainability Policy is applicable to all funds for which Pure Capital S.A. has full discretion as management company/alternative investment fund manager (hereinafter “IFM”) and investment manager. Funds for which Pure Capital S.A. acts as IFM but has delegated the investment management function to another entity are excluded from the scope of this Sustainability Policy and shall be covered by the investment manager’s policy. Nevertheless, post-trade assessments shall be made as indicated under 3.2 below.

B. INTEGRATION OF SUSTAINABILITY RISKS INTO THE INVESTMENT DECISION PROCESS

Sustainability risks are defined by article 2 (22) of SFDR defines as being every environmental, social or governance ('ESG') event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Pure Capital S.A. is aware of the material impacts ESG events or conditions may cause to the funds it manages and deems sustainability risks to be relevant in proportion to the specific investment strategy of each fund it manages.

Pure Capital S.A. will implement a process for the handling and monitoring of sustainability risks, where relevant, in its pre-trade (internal portfolio management) and post-trade assessments in case of delegation of the investment management function.

For this reason, a rigorous approach has been put in place to identifying and integrating significant risks into the due diligence process, obviously including the risk of sustainability. Once identified, it is therefore necessary to assess, as far as possible, the potentially significant impact of financial risks related to sustainability, in parallel with traditional financial criteria.

The relevance of these risks will depend on a number of factors, such as the nature of the investment, and the expected probability and scale of the impact. This means that all aspects of sustainability risk will be not relevant to all investments. Although those responsible for investment management value these elements, they are not paramount to every investment decision, but rather integrated with other considerations.

Finally, it is important to mention that information on sustainability risk, and the methodology employed, differs according to the asset class, i.e. the type of investment considered.

C. SUSTAINABILITY FACTORS CONSIDERED IN THE INVESTMENT DECISION MAKING PROCESS

The aim of taking sustainability risks into account in the investment decision making process is to identify the occurrence of these risks as soon as possible and to take appropriate measures to minimize the impact on the investments or the overall portfolio of the concerned fund.

The events or conditions that may be responsible for a negative impact on the performance return of a fund are split into environmental, social and corporate governance aspects and will depend on the investment objective and policy of the concerned fund managed by Pure Capital S.A.

D. SUSTAINABILITY RISK APPROACH

The monitoring of the sustainability risks in the decision-making process may vary depending on the strategy of each fund and the targeted product policy. Pure Capital S.A. will set up the monitoring of sustainability risks by integrating them at initial and on-going basis into the risk profiles of the relevant funds.

When funds are not promoting ESG characteristics, sustainable risks may or may not be integrated into investment decision processes without any binding results once those risks are assessed at the portfolio construction level.

Pure Capital S.A. defined, where relevant, internal risk limits in relation to sustainability risks for each fund managed. The risk limits describe the maximum risk a fund is exposed to a certain risk type. The internal Risk Management function of Pure Capital S.A. is responsible for the monitoring of the defined sustainability risk limits.

Where relevant, to effectively monitor the risks, Pure Capital S.A. calculates the overall sustainability risk exposure of a fund portfolio based on the defined sustainability factors. The results of the assessment are compiled and constantly monitored by the internal Risk Management function against the limits set in the fund risk profile.

Funds promoting ESG characteristics will be screened based on different methodologies such as third-party data providers in order to monitor if portfolios are aligned with any sustainable objective described in their investment processes. This should help avoid greenwashing in full transparency for investors.

IV. REVIEW

The legal department will review this policy at least on an annual basis and in a had hoc manner if needed.

The Board of Directors of the Company